GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:5598
ANSWERED ON:02.05.2002
INDIGENISATION OF DEFENCE EQUIPMENT PRODUCTION
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Will the Minister of DEFENCE be pleased to state:

(a) the progress made by India in indigenously manufacturing spares for Defence Equipments;

(b) the percentage of indigenous supplies both from the Government and the private sectors as compared to the percentage of components imported; and

(c) the efforts being made to have a maximum supplies of spares and equipment from India itself?

Answer

MINISTER OF DEFENCE (SHRI GEORGE FERNANDES)

(a) to (c): Indigenisation of defence equipment is an on going process and is achieved by transfer of technology and indigenous research. Indigenisation of spares of defence equipment has been undertaken in aircraft, warships, armaments, tanks, vehicles and electronic as well as engineering equipment. While the Ordnance Factories and Defence Public Sector Units are manufacturing a wide range of products for the Defence Forces, the private sector has been involved in the supply of raw materials, semi-finished products, parts and components of defence equipment. The combined value of the products of Ordnance Factories and Defence PSUs during 2000-2001 has been approximately Rs. 14000 crores as against approximately Rs. 1800 crores on import of stores (which excludes capital equipment) comprising components, spares, overhaul etc. Government have recently allowed private sector participation in the defence industry upto 100% and also with foreign direct investment permissible upto 26%, both subject to licensing, for manufacture of all types of defence equipment within the country. This will add to the investment already made in the public sector.